IN THE CLAIMS

This listing of claims will replace all prior versions, and listings, of claims in this application.

Listing of Claims:

1. (cancelled)

Water-dilutable binders containing reaction products ABC of epoxy resins A, compounds B having such functional groups as a result of which they are capable of reacting with compounds with epoxy groups, selected from compounds B1 with at least one primary or secondary amino group, compounds B2 with acid groups and compounds B3 with phenolic hydroxyl groups, and fatty acid amides C with at least one amide group and at least one amino group obtained by reacting fatty acids C1 and amines C2 with at least one secondary and at least one primary amino group.

2. (currently amended)

The <u>process</u> water dilutable binders according to claim 4 <u>9</u> characterised in that the fatty acid amides **C** contain at least two amide groups and at least one secondary amino group.

3. (currently amended)

The <u>process</u> water dilutable binders according to claim 1 9 characterised in that the fatty acids C1 have 6 to 40 carbon atoms and at least one olefinic double bond.

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4. (currently amended)

The <u>process</u> water dilutable binders according to claim 4 <u>9</u> characterised in that the amine **C2** are linear, branched or cyclic aliphatic amines with 4 to 20 carbon atoms and at least one primary and at least one secondary amino group selected from the group consisting of amines **C21** with a primary amino group and a secondary amino group and amines **C22** with at least two primary amino groups.

5. (currently amended)

The process water-dilutable binders according to claim 4 9 characterised in that aliphatic or aromatic epoxy compounds with at least one epoxy group per molecule monoepoxides A1 or diepoxides A2 are used as compounds A, the monoepoxides A1 being selected from the group consisting of glycidyl ethers of aliphatic monohydric alcohols with 4 to 40 carbon atoms and glycidyl esters of aliphatic monocarboxylic acids with 5 to 20 carbon atoms and the diepoxides A2 are selected from the group consisting of glycidyl ethers of dihydric aliphatic alcohols with 4 to 20 carbon atoms, diglycidyl ethers of dihydroxy polyoxyalkylenes such as polyethylene glycol and polypropylene glycol, diglycidyl esters of dicarboxylic acids with 2 to 40 carbon atoms, and diglycidyl ethers of divalent phenols.

6. (currently amended)

The <u>process</u> water dilutable binders according to claim 4 9 characterised in that, in the compounds **B1**, the amino groups are bound to aliphatic carbon atoms, that the compounds **B1** are linear, branched or cyclic and have 2 to 40 carbon atoms, wherein compounds **B1** are selected from the group consisting of compounds **B11** which, apart from at least one secondary or primary amino group, have at least one hydroxyl group, compounds **B12** which have at least one primary and at least one tertiary amino group, and compounds **B13** which have at least two primary amino groups and at least one secondary amino group.

7. (currently amended)

The <u>process</u> water dilutable binders according to claim 4 <u>9</u> characterised in that the compounds **B2** are aliphatic linear, branched or cyclic monocarboxylic acids with 2 to 40 carbon atoms having at least one olefinic double bond.

8. (currently amended)

The <u>process</u> water dilutable binders according to claim 4 <u>9</u> characterised in that the compounds **B3** are selected from the group consisting of monophenols and diphenols.

9. (currently amended)

A process for the preparation of water-dilutable binders wherein according to claim 1 characterised in that

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in the first step, fatty acid amides C are synthesised by reacting the fatty acids C1 with the amines C2 having at least one secondary and at least one primary amino group, which fatty acid amides C have at least one secondary and/or primary amino group,

- these amino-functional acid amides C are subsequently mixed, in the second step, with at least two of the compounds B, where compounds B from at least two different classes of B1, B2 and B3 are used, compounds B1 having at least one primary or secondary amino group, compounds B2 having acid groups and compounds B3 having phenolic hydroxyl groups,
- subsequently, in step three, a first portion of an epoxide **A** is added and reacted until no more free epoxy groups are detectable,
- subsequently, this reaction product is dispersed in water to which a neutralising agent had previously been added and the dispersion formed is reacted in the fourth step with a further portion of a diepoxide A2 and reacted further until all epoxy groups are completely consumed.

10. (original)

The process according to claim 9 characterised in that, following the third step, at least one further compound **B** and a second portion of an epoxide **A** are added and the reaction mixture is reacted until no more free epoxy groups are detectable.

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11. (original)

The process according to claim 10 characterised in that the epoxide added as second portion is a diepoxide A2.

12. (currently amended)

A method of use of the water-dilutable binders <u>prepared</u> according to claim 4 <u>9</u> comprising coating <u>the binders prepared according to claim 9 onto substrates selected</u> <u>from the group consisting of metals, mineral substrates, plastics, paper and board.</u>

13. (currently amended)

A method of use of the water-dilutable binders <u>prepared</u> according to claim 4 <u>9</u> comprising combining the binders of <u>prepared according to</u> claim 4 <u>9</u> with hardeners selected from the group consisting of blocked and non-blocked multifunctional isocyanates and aminoplast resins to formulate coatings.